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UNITED STATES
DEPARTMENT OF THE INTERIOR
DIVISION OF SUBSISTENCE HOMESTEADS
FEDERAL SUBSISTENCE HOMESTEADS CORPORATION
WASHINGTON, D. C.

BULLETIN 1

INFORMATION CONCERNING
THE PURPOSES AND POLICIES OF THE
DIVISION OF SUBSISTENCE HOMESTEADS

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From squalid shacks like the one in the upper picture, fifty "stranded" miners and their families have moved into attractive homestead houses like the one shown below, at Reedsville Experimental Community, Reedsville, W. Va.

GENERAL INFORMATION CONCERNING THE
PURPOSES AND POLICIES OF THE DIVISION

PURPOSE OF THIS BULLETIN

This bulletin is intended to provide general information concerning the purposes of the Subsistence Homesteads section of the National Industrial Recovery Act and the policies formulated for the administration thereof.

GENERAL INFORMATION

The Division of Subsistence Homesteads is a unit of the United States Department of the Interior, subject to such policies and regulations as the Secretary of the Interior may prescribe. The Division was organized pursuant to an executive order dated July 21, 1933, and a subsequent order issued by the Secretary of the Interior on December 2, 1933, creating the Federal Subsistence Homesteads Corporation through which the work of the Division is executed.

The text of the National Industrial Recovery Act, Section 208, and the executive and departmental orders will be found on pages 9 and 10 of this bulletin.

The \$25,000,000 appropriated for the purpose of carrying out the program of the Division is a revolving fund. Homesteaders' payments, applied against the purchase price of their home, are returned to the fund for use in new projects.

The part of the Federal Government is that of experimenter and demonstrator. Projects are selected with a view to testing varying sets of conditions found in the several parts of the United States and among different types of people.

The Division was originated for one set purpose and can not:

1. Lend money directly to individuals for the purpose of buying farms, livestock, or building homes on individual subsistence homesteads outside of the Division's projects.
2. Make loans to corporations whether limited dividend, non-profit, or commercial, for the establishment of a subsistence homestead project.
3. Grant funds to aid in the initiation of industrial or commercial enterprises, whether in connection with projects established or otherwise.
4. Purchase land except for specific projects approved and undertaken by the Division.
5. Use any part of the \$25,000,000 revolving fund to carry on industry or business by the establishment of Federal enterprises.

Persons interested in securing the establishment of a project in or near their community may present their proposals to the Division. These proposals should contain the information outlined in Bulletins No. 2 and 3. If accepted, the Division will assume full responsibility for the completion of the plan. The

preparation and formation of additional projects can not be encouraged as requests for funds from the Division already amount to more than \$4,000,000,000.

The Division has no connection with the general homestead laws or their administration. These apply to the public domain and are under the jurisdiction of the General Land Office, United States Department of the Interior. The Division is also distinct from the various government agencies created to finance and encourage individual and group housing, and from agencies of the Federal Emergency Relief Administration and the Agricultural Adjustment Administration for the promotion of relief and rural homesteads. The Division deals only with the specific types of homestead problems described in the following pages.

To insure adequate consideration of the various public aspects in the administration of this Division, the National Advisory Committee on Subsistence Homesteads has been appointed to advise on policies and the general program. The members of this Committee are listed on page 7 of this Bulletin.

PURPOSES

In order to effectuate the intent of Section 208 of the Act, the Division will endeavor to:

1. Promote the decentralization of the overbalance of population in large industrial centers. The recent movement of certain industries from large urban centers to rural and small town communities, and to outlying sections within urban areas promises definite economic and social advantages. The dispersal of congested populations lessens the danger of mass unemployment and ameliorates conditions when an unemployment period does occur.
2. Promote economic stability, both individual and national, by proving the worth of a system which combines pay roll employment with farming and gardening upon small plots of carefully selected land. Families will raise the greater portion of their subsistence on their own land, while obtaining a cash income through full or part time employment of their working members, and thereby attain a high degree of economic self-sufficiency. This will better equip them to withstand periods of distress.
3. Raise living standards and promote social welfare. The purchase of a homestead is not charity, but a business transaction, albeit one marked by liberal terms on the part of the Government. The Subsistence Homesteads program will show that families can move from poverty-stricken shanties and squalid tenements into decent, modern homes where they may learn a new happiness and achieve a new hope. The program will emphasize the family and the home as the social unit. It will encourage the development of a congenial and significant community life. It will provide, in this day of mechanization and specialization, varied opportunities for individual creative work.

POLICIES

Underlying the Subsistence Homesteads program is the belief that large numbers

of American citizens face employment difficulties so severe and of such a special nature as to call for measures of more than an emergency character. The shifting currents of industry and population have left thousands stranded economically and socially. The plight of these groups has been emphasized due to world conditions in the last few years. To those fitted to take advantage of it, the Subsistence Homesteads program offers a means of rehabilitation.

To demonstrate what may be done to help distressed citizens win a degree of economic security and a more adequate standard of living, the following policies have been adopted:

1. To conduct this experiment in such a manner that it will demonstrate to private agencies, States or municipalities the desirability of the movement and encourage them to emulate the Federal Government.
2. To attempt to show a remedy for the existing social and economic weakness by selecting families who will benefit by a transfer to a subsistence homestead.
3. To select people capable of buying their own homes and who have had sufficient experience to fit them for farming or gardening work. They must also have the character and will to succeed. Advisory management flexible enough to suit the various groups dealt with and wisely administered so as to cooperate with local government will be furnished them.
4. To protect the character of the community by requiring suitable zoning or other regulations.
5. To provide adequate educational facilities for the children of the homesteaders at all projects, either by locating near existing schools or the establishment of the proper facilities.
6. To design and construct houses suitable in appearance and convenience, within a cost range between \$1,000 and \$2,500, so constructed that a minimum of repairs will be required over a twenty-year period.
7. To provide homes sufficiently large to care for the average family, and so planned that they may be expanded with a minimum of changes to the original unit.

PROBLEMS ENCOUNTERED IN THE PROGRAM

Some of the specific problems with which the homestead program is designed to deal are:

1. CYCLICAL UNEMPLOYMENT.

The Subsistence Homesteads plan is one means of mitigating the evil effects of recurrent periods of business declines. Garden homes, in the vicinity of industrial centers, furnish a place of security and refuge in times of industrial inactivities.

2. SEASONAL UNEMPLOYMENT.

With the wage incomes being restored, returns in certain seasonal industries may prove insufficient to support a satisfactory standard of living. Where serious conflict in the seasonal demands of agriculture and the industry does not exist, or can be adjusted by a change in factory schedules, subsistence homesteads located near an industrial plant will be desirable.

3. SHORTER WORK DAY AND WORK WEEK.

Shorter hours of labor appear to be a permanent feature of the new industrial order. Subsistence homes, within commuting distance of office and factory, will offer a means by which this additional spare time can be utilized in the raising of foodstuffs.

4. OVER-AGED WORKERS.

Large and increasing numbers of industrial workers are being eliminated from regular employment because of age. A subsistence homestead helps such workers to become self-sustaining. For the younger worker, a garden home acquired during his active years, offers the prospect of a place to which to retire when the period of maximum earning power has passed.

5. STRANDED INDUSTRIAL GROUPS.

Thousands of people have been left without adequate employment because of the decline of a particular industry, or its relocation elsewhere. In the coal industry and the industries depending upon timber, thousands of families have been left stranded. There are, in addition, numbers of workers attached to manufacturing plants which have closed down or moved elsewhere. In many cases it is difficult, even impossible, for these stranded workers to move to an area where more favorable conditions exist.

The function of subsistence homesteads, in reaching the problem of the stranded groups, is to reduce their dependence upon a cash income, to encourage private industry to come into an area where a workers group is available, and to point the way to new fields of livelihood.

PLANNING AND ADMINISTRATION

1. LOCATION AND TYPE OF PROJECTS.

A "subsistence homestead" denotes a house and outbuildings located upon a plot of land on which can be grown a large portion of the foodstuffs required by the homestead family. It signifies production for home consumption and not for commercial sale. In that it provides for subsistence alone, it carries with it the corollary that cash income must be drawn from some outside source. The central motive of the subsistence homestead program, therefore, is to demonstrate the economic value of a livelihood which combines part-time wage work and part-time gardening or farming.

Projects are located with reference to the principal "problem areas" of the

United States. They are established within these areas on the basis of local need, suitability for demonstration purposes, and the presence of various factors essential to the project's success. In conformity with this selective policy, funds are not allotted on a state or other territorial basis. Each project is planned to test out certain special features.

Four major groups of projects are being established as follows:

- a. Stranded groups.
- c. Rural (Open Country Colonization) groups.
- b. Special Problem groups.
- d. Industrial (Garden Homes) groups.

2. PLANNING PROJECTS.

Projects are planned and organized in cooperation with the State Agricultural Colleges, Experiment Stations and Extension Services; relief, welfare and other civic agencies; and with State and local agencies whose fields are involved and whose services contribute to the success of the project.

3. AGRICULTURAL ASPECTS.

Selection of the site and its soil is subject to approval by agricultural experts. The size of the homestead, its layout, the selection of crops and livestock enterprises, and the agricultural program in general are planned in cooperation with agricultural authorities and with home economics specialists.

Experience shows that a properly guided subsistence homestead unit need not operate adversely to commercial agricultural producers.

4. ENGINEERING AND ARCHITECTURE.

The homestead developments are laid out and constructed in accordance with approved architectural and engineering practice. While the structures and other facilities must necessarily be moderate in cost, they conform to standards of convenience, durability, sanitation and attractiveness with sufficient variation to avoid monotony. Availability of highways or other transportation facilities, and proper facilities for health, sanitation, electric light and other essential utility services, are required.

The size of individual homesteads varies from a half acre in the case of garden type projects, to 20 to 30 acres in rural projects. Houses vary in size and cost according to the group to be accommodated. In size, the houses range from 3 to 6 rooms. Three room houses, however, are not constructed if they cannot be expanded with a minimum of alteration. The cost of houses will be from \$2,000 to \$3,000.

5. MANAGEMENT.

The Federal Subsistence Homesteads Corporation acts as the operating agency of the Division. Supervising each project is a manager who has charge of



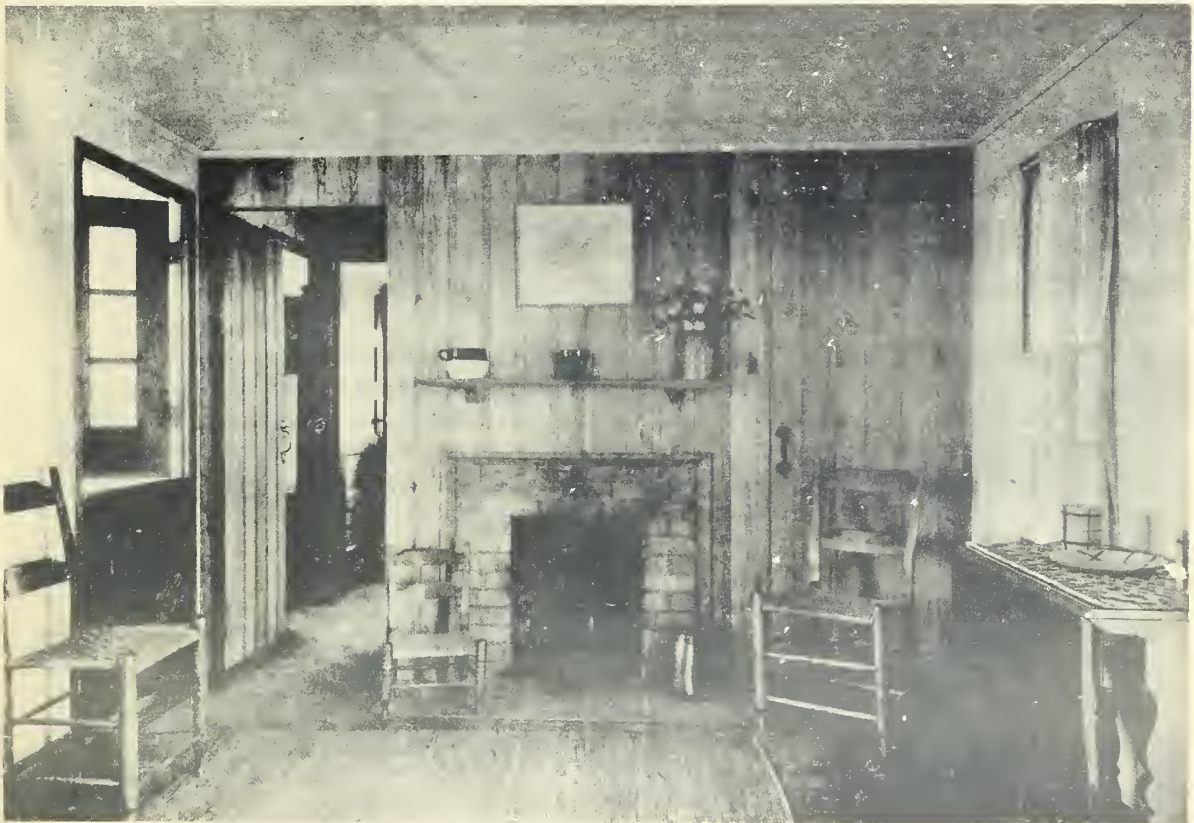
Built of native stone and timbers, and erected by the homesteaders themselves, houses like this one at Cumberland Homesteads, near Crossville, Tenn., are being constructed at a very low cost.



Homesteaders and project officials in front of the first house completed at the McComb, Miss., Subsistence Homestead project.



Reedsville Homestead.



A living room in one of the Reedsville Experimental Community homes.

the construction and administration. It is hoped to secure the cooperation of an interested group of local citizens who will act in an advisory capacity for each project.

Through the Corporation, the Division purchases and improves the land, constructs the dwellings and outbuildings, and sells the completed homesteads to individual families. In addition to the cost of labor, land and materials, the purchase price includes a management cost prorated among the homesteaders of each project.

Amortization schedules are adjusted to the character of the project, prospective earning power of the homesteaders, quality and character of construction, etc. Payments may be made monthly, quarterly, or semi-annually; in most cases a plan of monthly payments extending over twenty years is followed. Deferment of initial payments may be permitted where necessary, but such deferment will not exceed two years. The source of the required cash income will ordinarily be employment in nearby industries, sale of products of home industries, in some cases work in nearby forests, or other sources of wage employment off the homestead.

6. SELECTION OF FAMILIES.

Selection of families for the homesteads is made under the direction of project managers subject to final approval by the Division. Careful inquiry is made into character and ability, past record, interest and fitness for agricultural pursuits, present employment status and prospects for wage-employment off the homestead. Sources of cash income are essential in order that all payments will be met regularly.

7. EDUCATIONAL AND ADVISORY FACILITIES.

The availability of competent local technical advice and guidance, particularly in the fields of agriculture and home economics, is essential for most of the families, at least during the initial transition period. This usually is arranged for through cooperation with existing educational and service agencies such as the State Agricultural Colleges and Experiment Stations and the Agricultural Extension Service.

Membership of the National Advisory Committee
on Subsistence Homesteads, August 15, 1934:

Senator John M. Bankhead, Alabama, Chairman.

Dr. John D. Black
Louis Brownlow
P. V. Cardon
Ralph E. Flanders
Dr. Clark Foreman
William Green
Henry I. Harriman

Hayden B. Harris
W. A. Julian
Bernarr MacFadden
Edward A. O'Neal
Dr. John A. Ryan
Louis J. Taber
Bernard G. Waring

National Industrial Recovery Act (Public No. 67, 73rd Congress)

Title II, Section 208

SUBSISTENCE HOMESTEADS.

To provide for aiding the redistribution of the over-balance of population in industrial centers \$25,000,000 is hereby made available to the President, to be used by him through such agencies as he may establish and under such regulations as he may make, for making loans for and otherwise aiding in the purchase of subsistence homesteads. The moneys collected as repayment of said loans shall constitute a revolving fund to be administered as directed by the President for the purposes of this section.

EXECUTIVE ORDER
(No. 6209)REDISTRIBUTION OF THE OVERBALANCE OF POPULATION IN INDUSTRIAL CENTERS BY MEANS
OF MAKING LOANS FOR AND OTHERWISE AIDING IN THE PURCHASE
OF SUBSISTENCE HOMESTEADS

By virtue of the authority vested in me by the Act of Congress, entitled "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933 (Public No. 67, 73rd Congress), in order to effectuate the intent and purpose of the Congress as expressed in Section 208 under Title II thereof, I hereby authorize the Secretary of the Interior to exercise all the powers vested in me, for the purpose of administering all the provisions of Section 208 under Title II of said Act, including full authority to designate and appoint such agents, to set up such boards and agencies, and to make and promulgate such regulations as he may deem necessary or desirable.

The White House,

July 21, 1933.

FRANKLIN D. ROOSEVELT.

ORDER ENTERED BY THE SECRETARY OF THE INTERIOR

Directing the Formation of a Corporation to be known as the Federal
Subsistence Homesteads Corporation.

WHEREAS, The Congress of the United States has in Section 208, under Title II, of the Act entitled "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933 (Public No. 67, 73rd Congress), expressed its intent and purpose to provide for aiding the redistribution of the overbalance of population in industrial centers, and for

that purpose has made available to the President, to be used by him, through such agencies as he may establish and under such regulations as he may make, the sum of \$25,000,000 for making loans for and otherwise aiding in the purchase of subsistence homesteads, and

WHEREAS, The President of the United States has entered an executive order (No. 6209) on July 21, 1933, authorizing the Secretary of the Interior to exercise all powers vested in the President for the purpose of administering all the provisions of the said Section 208 under Title II of said Act, including full authority to designate and appoint such agents, to set up such boards and agencies, and to make and promulgate such regulations as the Secretary may deem necessary or desirable.

AND WHEREAS, in order, effectively and efficiently, to carry out the provisions of the said Section of the said Act, it is expedient and necessary that a corporation be organized with such powers and function as may be necessary to accomplish the purpose of the said Section of the said Act;

NOW, THEREFORE, under and by virtue of the authority vested in me by the said order of the President, it is hereby ordered that an agency, to wit, a corporation under the laws of Delaware be created, such corporation to be named Federal Subsistence Homesteads Corporation.

The capital stock of such Corporation shall be issued only to the incumbent of the office of the Secretary of the Interior of the United States of America at the time of such issuance, and shall not be transferable by him or his successors in office but shall be held by him or his successors in office in trust for the United States of America, which shall be the sole and only authorized holder of legal title to the stock.

It is further ordered that there is hereby made available to the said Federal Subsistence Homesteads Corporation the sum of \$5,000,000 out of the sum of \$25,000,000 which has been made available for such purpose in the said Section 208, under Title II of the said Act, for use in effectuating the intents and purposes expressed in the said Section under Title II of the said Act, further sums to be made available to the said corporation out of the unexpended balance of the sum of \$25,000,000, as needed from time to time, by orders to be entered by the Secretary of the Interior.

(Sgd.) Harold L. Ickes,
Secretary of the Interior.

Office of the Secretary
of the Interior.

December 2, 1933.

List of approved projects as of August 15, 1934, showing name and number of the project and the business office address:

ALABAMA

1. Birmingham Homesteads,
415 Federal Building,
Birmingham, Alabama.
34. Jasper Homesteads,
226 Phillips & Stanley Bldg.,
Jasper, Alabama.

ARIZONA

9. Rural Homes in Arizona,
323 Title & Trust Bldg.,
Phoenix, Arizona.

CALIFORNIA

37. Rurban Homes,
725 S. Spring Street,
Los Angeles, California.

DELAWARE

18. Delaware Homestead Community,
344 Delaware Trust Bldg.,
Wilmington, Delaware.

GEORGIA

2. Chancellorsville Community,
Monticello, Georgia.

ILLINOIS

20. Southern Illinois Homesteads,
326 East Main Street,
West Frankfort, Illinois.
49. Lake County Homesteads,
City Hall,
Libertyville, Illinois.

INDIANA

4. Decatur Homesteads,
Decatur, Indiana.

IOWA

39. Granger Homesteads,
Post Office (Temporary)
Austin, Minnesota.

LOUISIANA

57. Morehouse County Homesteads,
Bastrop, Louisiana.

MINNESOTA

15. Duluth Subsistence Homesteads,
409 Federal Building,
Duluth, Minnesota.
16. Austin Homesteads,
Post Office,
Austin, Minnesota.

MISSISSIPPI

27. McComb Homesteads of Miss.,
McComb, Mississippi.
28. Laurel Homesteads of Miss.,
Laurel, Mississippi.
29. Tupelo Homesteads of Miss.,
Tupelo, Mississippi.
30. Richton Homesteads of Miss.,
Richton, Mississippi.
31. Meridian Homesteads of Miss.,
Meridian, Mississippi.
33. Hattiesburg Homesteads of Miss.,
Hattiesburg, Mississippi.

NEW JERSEY

8. Jersey Homesteads,
Box M,
Hightstown, N.J.

Approved Projects (cont'd)

NEW YORK

32. Monroe County Homesteads,
405 Terminal Building,
Rochester, N.Y.

NORTH CAROLINA

3. Penderlea Homesteads,
Wilmington, N.C.

OHIO

10. Mahoning Garden Homesteads,
301 Federal Building,
Youngstown, Ohio.
12. First Homestead Unit of Dayton,
706 U. B. Annex Building,
Dayton, Ohio.

OKLAHOMA

55. Tulsa County Homesteads,
Tulsa, Oklahoma.

PENNSYLVANIA

6. Westmoreland Homesteads,
148 N. Main Street,
Greensburg, Pennsylvania.

SOUTH CAROLINA

40. Greenville Homesteads,
Taylors, South Carolina.
41. La France Homesteads,
La France, South Carolina.

TENNESSEE

19. Cumberland Homesteads,
Crossville, Tennessee.

TEXAS

21. Houston Gardens,
Gulf Building,
Houston, Texas.
22. Dalworthington Gardens,
205 S. Houston Street,
Dallas, Texas.
23. Wichita Gardens,
Room 320, Federal Bldg.,
Wichita Falls, Texas.
24. Three Rivers Gardens,
Three Rivers, Texas.
25. Beauxart Gardens,
307 Perlstein Building,
Beaumont, Texas.
47. Marshall Gardens,
Marshall, Texas.

VIRGINIA

61. Shenandoah Park Homesteads,
Luray, Virginia.

VIRGIN ISLANDS

60. Virgin Islands Homesteads,
St. Thomas, Virgin Islands.

WASHINGTON

36. Longview Homesteads,
Post Office Building,
Longview, Washington.

WEST VIRGINIA

13. Reedsville Experimental Community,
Reedsville, West Virginia.
7. Tygart Valley Homesteads,
Elkins, West Virginia.



